

(2) Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

(b) *Reasonable rent.* (1) During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.

(2) The PHA may not approve a lease for a manufactured home space until the PHA determines that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the PHA must redetermine that the current rent to owner is a reasonable rent.

(3) The PHA must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).

(4) By accepting each monthly housing assistance payment from the PHA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. The owner must give the PHA information, as requested by the PHA, on rents charged by the owner for other manufactured home spaces.

**§ 982.623 Manufactured home space rental: Housing assistance payment.**

(a) *Housing assistance payment: For certificate tenancy.* (1) During the term of a certificate tenancy (entered prior to the merger date), the amount of the monthly housing assistance payment equals the lesser of the amounts specified in paragraphs (b)(1)(i) or (b)(1)(ii) of this section:

(i) Manufactured home space cost minus the total tenant payment.

(ii) The rent to owner for the manufactured home space.

(2) “Manufactured home space cost” means the sum of:

- (i) The amortization cost,
- (ii) The utility allowance, and
- (iii) The rent to owner for the manufactured home space.

(3) *Amortization cost.* (i) The amortization cost may include debt service to amortize cost (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount must be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the PHA determines that furniture was not included in the purchase price.

(ii) The amount of the amortization cost is the debt service established at time of application to a lender for financing purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home is not included in amortization cost.

(iii) Debt service for set-up charges incurred by a family that relocates its home may be included in the monthly amortization payment made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize such charges.

(b) *Housing assistance payment for voucher tenancy.* (1) There is a separate fair market rent for a manufactured home space. The FMR for a manufactured home space is determined in accordance with § 888.113(e) of this title. The FMR for a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit.

(2) The payment standard shall be determined in accordance with § 982.505.

(3) The PHA shall pay a monthly housing assistance payment on behalf of the family that is equal to the lower of:

(i) The payment standard minus the total tenant payment; or

(ii) The rent paid for rental of the real property on which the manufactured home owned by the family is located (“space rent”) minus the total tenant payment.

(4) The space rent is the sum of the following as determined by the PHA:

- (i) Rent to owner for the manufactured home space;
- (ii) Owner maintenance and management charges for the space;
- (iii) The utility allowance for tenant-paid utilities.

[64 FR 26651, May 14, 1999; 64 FR 49659, Sept. 14, 1999; 64 FR 56915, Oct. 21, 1999]

**§ 982.624 Manufactured home space rental: Utility allowance schedule.**

The PHA must establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances must include a reasonable amount for utility hook-up charges payable by the family if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space must not cover costs payable by a family to cover the digging of a well or installation of a septic system.

**PART 983—SECTION 8 PROJECT-BASED CERTIFICATE PROGRAM**

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- 983.2 Additional definitions.
- 983.3 Information to be submitted to HUD by the HA concerning its plan to attach assistance to units.
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